Heads of Departments are requested to issue suitable instructions to their subordinate officers to see that copies of the charge reports are sent only to the relevant officers and departments of the Secretariat administratively concerned with the officer.

L. A. DHAMANIGI,
Under Secretary to Government,
General Administration Department
(Services-1).

FINANCE SECRETARIAT

Review on Annual Review on the working of the treasuries for the year 1958-59.

READ—

Letter No. TM/B/IX-27/249, dated the 6th July 1959, from the Accountant General, Mysore, Bangalore, forwarding the annual review on the working of the Treasuries for the year 1958-59.

ORDER NO: FD 76 RTI 59, DATED BANGALORE, THE 15TH OCTOBER 1959 (ASVINA 23, SAKA ERA 1881).

The irregularities and defects noticed during the course of inspection of treasuries are reported as due mainly to the non-observance of the Finance and Treasury Rules by the Treasury Officers concerned. The important defects noticed are given in statement 'A' annexed to the report. A special report should be submitted to Government on the various defects noticed immediately for the information and further orders of Government.

The Orders of Government on other irregularities of a serious nature pointed out by the Accountant General are noted below :—

1. *Defalcation in Education Department—para 3(a).*—The explanations of the concerned Treasury Officer and staff responsible for the overpayment of Rs. 2,600 due to the non-observance of the prescribed treasury rules, should be obtained by the Divisional Commissioner, Mysore and forwarded for the orders of Government together with a report whether any enquiry under the C.C.A. Rules was held and responsibility fixed on concerned officials.

2. *Deficiency in Cash Balances—para 3(b).*—The personal responsibility in this case is not yet fixed and still under enquiry by the Divisional Commissioner, Belgaum. Final orders of Government will be passed on receipt of further report which is awaited.

3. *Double payment of Rs. 200—para 3(c).*—The Divisional Commissioner, Mysore, will obtain a report from the concerned Treasury Officer, whether the double payment has since been recovered from the Contractor and whether departmental action has been taken against the officials responsible for the double payment.

4. *Irregular payments—para 3(d).*—The Divisional Commissioner, Belgaum, will expedite the departmental enquiry by the Assistant Commissioner, Bijapur and forward copy of orders passed for information or further orders of Government.

5. *Currency resources and other matters—para 4.*—Government view with serious displeasure the action of the Treasury Officers particularly Hassan and Bidar in persisting to maintain cash balances far in excess of the normal balances fixed by Government. If a systematic and periodical review had been made there would have been no occassions for this irregularity to continue. The question of converting some more treasuries into Banking Treasuries, and opening more Currency Chests is under the active consideration of Government.

In the meanwhile if this irregularity persists, Government will have to enforce recovery of interest on excess balances, from the concerned Treasury Officers, when satisfactory explanations are not forthcoming. The Tahsildars should pay more attention to this and should themselves periodically review the balances, whenever they are in Headquarters. They should treat Treasury work as their important duty and not treat it as a routine one and leave it entirely to the Treasury or Taluk Sheristedars.

6. *Stamp Accounts.*—The Rules governing the custody and sale of stamps should be carefully observed by all District and Taluk Treasuries in future.

As regards sale of stamps direct from the double locks instead of through single locks, Government observe that after the abolition of the posts of Treasurers after the formation of Banking Treasuries in 1953, they had issued orders that no cash or stamps should be kept in single lock. In the absence of the posts of Treasurers the Shroffs are in charge of one key, the Treasury Officer another key. The Security of the Shroff is only Rs. 500 and he is not an *Ex-officio* Vendor. In the circumstances, the existing procedure of issue of stamps from such Treasuries to the public direct from Double Locks is approved and allowed to continue. The question whether Shroffs or any other senior clerks should be appointed as *Ex-officio* Vendors in District Treasuries is under separate consideration of Government. In Taluk Treasuries, the Sub-Treasury Officer is the *Ex-officio* Vendor and the issue direct from Double Locks is approved, as no stock is maintained in single lock with the Shroffs, and the maintenance of single lock registers and the passing of entries through the same is a mere duplication and serves no purpose.

7. *Payment of Pensions.*—The Treasury Officers should observe various rules in the M.T.C. regarding payment of pensions after comparing both halves of the Pension Payment Order and making entries of the date of payment to prevent double payment and also recording fact of appearance of pensioners. If any irregular overpayment occurs due to failure to comply with the provisions of the rules, the Treasury Officers will be personally held responsible for such payments and recovery of loss enforced from them.

8. *Transactions relating to Revenue Deposits.*—Failure to observe the rules to note repayments against original credits and carrying forward wrong balances and consequent risk of overpayments appear to have occurred mainly in Tumkur, Gulbarga and Bidar Treasuries. The concerned Treasuries should report to Government whether they are since following the correct rules. The Head Accountants will be personally held responsible for such irregularities and overpayments, as it is their main duty to maintain accounts properly.

9. *Small Savings Scheme.*—Various instructions issued by Government from time to time should be followed carefully and repetition of irregularities pointed out by the Accountant General avoided.

10. *Payment of interest on Government securities.*—Failure to recover Income-tax at correct rates and non-recovery of Income-tax completely continues in some of the Treasuries. The instructions issued by the Accountant General from time to time in regard to recovery of Income-tax and surcharge from the interest due on Government securities, should be followed scrupulously in future.

11. *Action on retrenchment slips and half margin letters issued by the Accountant General.*—Prompt action should be taken to comply with the requirements in the retrenchment slips and disposal of half margin letters and they should be returned promptly after indicating action taken. The Treasury Officers, Gulbarga and Raichur, will immediately report to Government why they have failed to act on the retrenchment slips issued by the former Accountant General, Hyderabad in 1956-57 and what action if at all they have taken on them.

12. *Misclassification.*—The State Huzur Treasury, Bangalore, has contributed to the maximum misclassifications. The Treasury Officer should instruct the departmental officers to pay adequate attention to proper classification and for avoidance of such irregularities.

13. *Delays in the submission of accounts and supporting documents.*—There has been no improvement in this account and the delay is stated to persist in the State Huzur Treasury, Bangalore, Shimoga and Gulbarga Districts. The Treasuries should take prompt action to forward the returns due in time and co-operate with the Accountant General in the submission of civil account due from his office to the State and Central Governments. If this irregularity persists, the question of enforcing punishments as prescribed in the Treasury Cadre Order of November 1953 will have to be strictly enforced.

14. *Deposits of Local Funds.*—The Treasury Officer should forward the overdue *plus* and *minus* memorandum immediately to the Accountant General and report compliance to Government and avoid such omissions in future.

15. *Irregularities connected with Grants-in-aid.*—The rules prescribed in Article 207 M.T.C. should be carefully followed by the Treasury Officers in future, in paying Grants-in-aid sanctioned by Government.

16. *Disposal of Treasury Inspection Reports.*—The Accountant General has pointed out that the delay in furnishing the reply to the observations made in the inspection reports has become chronic in the case of most of the Treasuries and there are some outstanding items for the year 1956-57 in some of the Treasuries. The officers in charge should realise the importance of the audit objections and their clearance, with the utmost promptness as any belated action loses its value and may result in loss to Government. A report of action taken on previous reports should be submitted to Government within one month from this date.

17. *Treasury irregularities.*—A statement indicating several types of irregularities committed in treasuries is given in the Annexure. From the comparative review of this statement with that of the last year, it is seen that there is no improvement, on the other hand, the number of defects and omissions under almost all categories of irregularities is on the increase. Government expect that the Divisional Commissioners and Deputy Commissioners will exercise greater supervision and take deterrent action on the officers and officials responsible, who persist in not remedying irregularities.

18. *General.*—Government agree with the Accountant General that the various defects and the more serious irregularities indicated in the review reveal that the supervision and control exercised by the Treasury Officers over the working of the Treasuries and Sub-Treasuries under their control were not satisfactory. Government expect that with more effective supervision and with greater vigilance and close supervision over the work of the staff by Treasury Officers, the standard of work can be improved. It is hoped that the Treasury Officers will take greater interest in their work and see that the standard of efficiency of Treasury is improved.

The annual review of the Accountant General is printed as an Annexure to this order. The Divisional and Deputy Commissioners will see that the defects pointed out are regularised and report of action submitted to Government within two months.

By Order and in the name of the Governor of Mysore,

N. S. BHARATH,
Deputy Secretary to Government,
Finance Department (Budget).

ANNEXURE.

ANNUAL REVIEW OF THE WORKING OF TREASURIES 1958-59.

GENERAL.

1. During 1958-59 there was no change in the number of Treasuries and sub-treasuries in the State which remained at 19 and 163 respectively.

INSPECTION OF TREASURIES.

2. The following District and Taluk/Sub-Treasuries were inspected during the year under review :—

District Treasuries	*Taluk/Sub-Treasuries*
Tumkur	Tumkur
Hassan	Arsikere
Mandya	Srirangapatna
Coorg	Virajpet
Bidar	Bhalki
Raichur	Manvi
Gulbarga	Yadgir
Bijapur	Indi
Dharwar	Shirhatti
Karwar	Ankola
Belgaum	Gokak
South Kanara	Karkala

The irregularities noticed were mainly due to the non-observance of the Financial and Treasury Rules by the Treasury Officers. The important among them are detailed in Statement A.